Mr. SPEAKER.—Now the Bill will be read clause by clause. As there are no amendments, I will put all the clauses.

The question is:

"That Clauses 1 to 33, both inclusive, and the Title and the Preamble stand part of the Bill."

The motion was adopted

Clauses 1 to 33, both inclusive, and the Title and the Preamble were added to the Bill.

Motion to pass.

Smt. GRACE TUCKER.—Sir, I beg to move:

"That the Mysore Ancient and Historical Monuments and Archæological Sites and Remains Bill, 1960 as passed by Legislative Council be passed."

Mr. SPEAKER.—The question is:

"That the Mysore Ancient and Historical Monuments and Archæological Sites and Remains Bill, 1960 as passed by Legislative Council be passed."

The motion was adopted

Mr. SPEAKER.—The House will now rise for recess and meet again after half-an-hour.

The House adjourned for recess at Two Minutes past Ten of the Clock and reassembled at Fifty Minutes past Ten of the Clock.

[Mr. SPEAKER in the Chair]

THE MYSORE WARE-HOUSES BILL, 1960.

AS PASSED BY LEGISLATIVE COUNCIL

Motion to consider.

Sri J. H. SHAMSUDDIN (Deputy Minister for Finance).— I beg to move) :

"That the Mysore Ware-houses Bill, 1960, as passed by the Legislative Council be taken into consideration"

Mr. SPEAKER.—Motion moved :

"That the Mysore Ware-houses Bill, 1960, as passed by the Legislative Council, be taken into consideration."

†Sri J. H. SHAMSUDDIN.—Sir, this is a Bill which will further interests of agriculturists in the State by giving them facilities for proper storage of their agricultural produce and giving them credit facilities by way of getting receipts from the warehouseman for the goods deposited on which they can get advances from any bank or co-orperative credit society. This will enable the agriculturist to hold on without disposing of his produce till he gets a better price for it. Under the scheme of this Bill when an agriculturist deposits his produce with a warehouseman he will get receipt for the deposit which receipt is negotiable. In the warehouses that may be established under the provisions of this Bill, storage facilities are provided. There is provision for proper grading of the goods and their inspection. There is also provision for their protection against damage by rat and other nuisances and also for their proper preservation in the warehouses.

This Bill has become necessary because we have established several warehouses. There are two Corporations in the country, *viz.*, the State Warehousing Corporation and the Central Warehousing Corporation. It is necessary to regulate them and make provision for proper storage, grading and inspection of the articles stored in the warehouses.

This Bill has been passed by the Legislative Council after sending it to a Select Committee. There is prohibition to carry on warehousing work without proper licence.

Till now there were no warehouses conducted by private agencies. All the warehouses in the State are warehouses established by the two Warehousing Corporations. The authorised capital of the State Warehousing Corporation is Rs. 2 crores out of which Rs. 20 lakhs has been subscribed on a 50 :50 basis by the State Government and the Central Government. There is a proposal to increase the capital to Rs. 30 lakhs during the third plan. The Government of India will pay Rs. 5 lakhs and the State Government will pay Rs. 5 lakhs more towards the additional capital. During the Second Plan period the target of warehouses was 15 against which this Corporation has established 17 warehouses. The target for the third plan has been fixed at 30 at the rate of 6 per year. It has two activities, one is warehousing and the other is construction of warehouse buildings. When I said that they have established 17 warehouses, I mean that some are already established and some warehouse buildings are under construction because some of the worehouses are situated in rented buildings.

The commodities to be deposited in the warehouses are mentioned in the Schedule. A glance at the schedule will show that they are very useful to the agriculturists. There is also provision in the Bill to give power to the Government to add to the schedule or to delete from the schedule. Whenever Government feel that certain items have to be added or deleted from the schedule in the interest of agriculturists Government can do so.

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The Central Warehousing Corporation also conducts its activities in the State. It has established 3 warehouses here in the Second Plan period at Gadag, Davangere and Mangalore. The Davangere Warehouse was completed during the Second Plan. The acquisition work for the Warehouses at Gadag and Mangalore is in progress.

Sri J. B. MALLARADHYA.—What have the activities of the Central Warehousing Corporation to do with this Bill ?

Sri J. H. SHAMSUDDIN.—They will also be regulated by the provisions of this Bill.

Sri J. B. MALLARADHYA.—How will the provisions of this Bill apply to the activities of the Central Corporation ?

Sri J. H. SHAMSUDDIN.—The Corporation established by the Central Warehousing Corporation is a warehouse under the definition of this Act and therefore they will be subject to the provisions of this Act.

Sri J. B. MALLARADHYA.—That is not stated in the definition.

Sri J. H. SHAMSUDDIN.—The definition of 'warehouse' inculudes all agencies, whether those of the Centre or that of the State.

Sri J. B. MALLARADHYA.—I would like the Deputy Minister to clarify. Have we any power whatsoever to regulate the functions of State Warehousing Corporation. If so, what is the provision in this Bill which enables the Government to do so. How can we have any control over the activities of the Central Warehousing Corporation ?

Sri J. H. SHAMSUDDIN.—If a Central agency established a warehouses in Mysore State, naturally inspection, weighing, duties of warehouseman and all that would be governed by the provisions of this Act.

Therefore, I feel that with this explanation, the House would give its consent to this Bill.

†Sri J. B. MALLARADHYA.—Sir, the Hon'ble Deputy Minister may take satisfaction of the fact that he has been very brief and very short and sweet. There is no doubt that this is a Bill which is primarily intended to be beneficial to the agricultrists and small traders. It also caters to the bigger merchants. The Hon'ble Deputy Minister stated during the course of his preliminary remarks that the Legislative Council has gone through the several clauses of the Bill and made veryi mportant alterations or modifications. I do certainly agree that this is a very beneficial and wholesome measure and I wholeheartedly welcome it. But I am doubtful if the Government realised the magnitude of the problem involved. What is their object in bringing a Bill to enable private parties to establish warehouses in different parts of the State. During the Second Plan, the Deputy Minister took credit for realising more than the targetted figure. They had provided for establishing 15

warehouses and the target actually reached was in excess of it by 2. Perhaps this is the only instance where the Government of Mysore have exceeded a target. I am prepared to give them the credit. But the real point which I want to make in this connection is that the Government should now think of spreading their wings far and wide. Even if the Government realised the target fixed for the third plan, they would not have touched the fringe of the problem. I am one of those who consider that this should be a Governmental endeavour at all stages and there is no question of the private individuals entering this field. Really this concept of public or private suctor should not enter into this field of activity. If the interests of the ryots have to be protected, I think it is only the Government that have to take up this work. I am saying this because in many parts of the State, we have what are called, 'multi-purpose co-operative societies', 'marketting societies' and various other socieities who deal in these things. There are a number of mills and mill-owners who are doing these things without any licence or regulation. But we know the type of treatment they met out to the poor ryots. Why is it that the Government should not think of establishing these warehouses in hobli headquarters, not merely in taluk headquarters. Government might think that this is a stupendous problem and the construction of warehouses would tell on their finances. Passing of this bill may give some satisfaction to the Government but not much would be achieved by this bill by itself. The magnitude of the problem is such that it requires the determined effort of this department. Construction of 30 warehouses for a five-year period is far too little. The size of the warehouse that you might establish in the hobli headquarters might have relationship to the quantity of grain that would come into the warehouse. In fact lot of education is required for the people to profit by the arrangements made by Government. I will refer to the mal-practices indulged by mill-owners who more or less defraud the poor ryots coming from villages and the way in which they are making enormous sums of money. If Government have realised the beneficial nature of this measure, why is it they are so slow in expanding their activities in this direction ?

In regard to construction of warehouses, I am sure the Government is realistic. I wish this dull uniformity or a routine pattern does not exist in respect of all the warehouses. I do not know why Government thinks of having the same pattern throughout the State. In the Malnad area, for example, concrete roofing may not suffice. Tiles may be necessary. There must be variation in the pattern and design. You should have the design of the village primary school. The villager must be drawn to this building. I should like the Government to think of a better design because there is no sense of proportion in the buidings I have seen.

This is only acid test of the efficacy of this Bill, as I said ; what is the proportion of agriculturists that is going to benifit by this.

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I should not like to expatiate too much on that idea, but leave it to the Government to see what are the bottlenecks in the scheme of expansion of warehouses and why they should not increase the number and why they should permeate to the rural areas so as to start with at least hobli headquarters. I would suggest if that is posible for the Government — we have the Chairman of the Warehousing Corporation, Mr. Mallappa, an honoured colleague who is a practical man and who has had experience of administration; he ought to be able to guide the Government to do things in a proper manner. Instead of setting up 30 warehouses in different district headquarters, why don't they commence with hobli headquarters ?

Sri K. MALLAPPA.—We want to co-ordinate the activities of the co-operative societies with the activities of the warehouses.

Sri J. B. MALLARADHYA.—But it must be within the knowledge of the Chairman of the Warehousing Corporation that co-operative societies to which you are giving exemption, most of the co-operative societies do not conform to any requirement contemplated under the Bill. Under the existing conditions, I should like to know if any single market produce society conforms to any restrictions or discipline contemplated under this Bill and whether the provision made by any co-operative society is adequate. Parhaps I can only think of one society in Mandya where some precaution is taken. As somebody said, they might have it ratproof, but make it proof against two-legged rats ; I am afraid it will be difficult to make adequate arrangements. It is true some of the co-operative societies are handling this business. How are you going to harmonise them. Even co-operative societies have got hobli headquarters. Take for example an area like Seringapatna. They have got to carry all the paddy to Mysore. Is it difficult to establish warehouses where there are paddy growing centres. Take an area like Krishnarajanagar which is also called Yedatore. That is a centre for growing paddy. Instead of thinking of only Gadag.....

Sri K. MALLAPPA.—We are having in view Krishnarajanagar. Shortly, we propose to start one at Bannur very close to T. Narsipur.

Sri J. B. MALLARADHYA.—I do not wish to take much time. From what I see, the other House has taken away some of the objectionable features of the Bill and introduced things of value.

Coming to definitions, take for example item (1). 'Warehouseman' means a person who has obtained licence under this Act respect of his warehouse. I should like to know if you are going to bring under this definition marketing produce societies and even godowns run by them and multi-purpose co-operative societies. Are you going to give them any type of exemption.

Sri K. MALLAPPA.—The co-operative societies also can run warehouses. Warehousing is a specialised business.

Sri J. B. MALLARADHYA.—Coming to conditions for grant of licence, one of the conditions prescribed under item (*b*) of Section 5 is that the applicant is competent to conduct such a warenouse. After all, this is one of the vague things which you should not introduce as a condition. What is the competency? Before you determine that a man is competent, he must satisfy certain conditions. What are those conditions which will determine the competency. What is the personal compentence? Is it any technical quality which you are contemplating? Competency in regard to what? Is it financial competence? It is such a vague term. This will be made a convenient tool for refusing to grant a licence. That I don't want. It is against that background that I object to the use of that word,.

Section 7 with regard to notice of refusal to grant or renew licence, is a very wholesome measure. Somehow or other, Government have been very careful to introduce it though I object to this provision being not in other Bills.

With regard to suspension and cancellation of licence, item (*d*) of Section 8 is: "has made unreasonable charges for the services rendered by him". This is a matter which is likely to lead to a lot of bickerings and jealousies. Do you mean to say that he is so stupid or incompetent as to make it appear that he has received money in excess of the prescribed fees. I am referring to this item (*d*).

Sir, coming to clause 13, I do hope that under the rule making power, Government would prescribe what exactly is the quality of flooring they expect and the quality of the building material. Sir, with regard to preservation of identity of goods, this is one of those very elusive matters for determining. It is not as if their bags are sealed and packed. Some villager will put his bags in a room and some other village also goes and puts his bags. There are occassions where Sanna is mixed up with Kaddi and so on. This is a common complaint. If you make it a condition precedent to the man who brings his goods to the warehouse that he should bring it in the bags, it operates very serious hardship on him. Supposing he stocks 2,000 pallas of paddy in a warehouse; he will also charge for the value of the bags and it means, it is a needless levy on the raiyat.

Sir, so far as identification, I am told, in more than 50 per cent of the cases, this has given rise to lot of litigation. I have seen godowns attached to the Mills. There, no receipt is given and much of the transaction takes place on what is called Jubani. This identification is not going to be possible at all. For one type of paddy, another type would be given to him. Unless you make this a full prove, I do not think this should be there. Sir, regarding the provision which deals with goods deposited in a warehouse getting deteriorated for causes beyond the control of the warehouse man, this is giving too much handle to him. If he seeks shelter under this clause, I do not think you will be guarding the interest of the poor raiyat. If it is by accidental fire, everybody can

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see the reason. But, if you say, due to circumstances beyond his control, it would be giving too much latitude. You must not make it so wide. Sir, you expect him to give fortwith notice to take delivery of the goods immediately. Then, what should he do with the goods, if there is no demand in the market? Do you want him to sell it away to whatever rate he can secure? On the other hand, it is up to the warehouse man, when takes the prescribed fee, to keep it in a different place. Sir, throughout the Bill I see that the interest of the commonman is not safeguarded. Everything is so whimsically done. Sir, if the depositor does not take his goods within a reasonable time, it will be sold by public auction at the cost and the risk of the depositor. Here, I do not know whether rules would provide as to what is the time before which the man should come and take his goods.

Sri B. L. NARAYANASWAMY.—Sir, there is no quorum.

(The quorum bell was rung)

(Quorum was formed)

Mr. SPEAKER.—I would like to suggest one thing. I am really very sorry that such a thing has happened. When Bills are being discussed, it is very unfortunate that this should happen. Previous to this, it was pointed out to me that there was no quorum. But I found that there were 22 members and somehow, the akward situation was overcome. Now I find that there was no quorum. It is not fair for the members to sit in the lounge and lobby. They must sit here and see that quorum is maintained.

Sri J. B. MALLARADHYA.—As between the person who has deposited in the Central Warehousing Corporation and the Corporation authorities they have agreed to compensate any loss, but if what is deposited in the warehouse is the property belonging to the Corporation itself and if that suffers a loss, do you suggest that it should not be insured? If it is a large quantity running into thousands of bags, do you mean to say that the Corporation will waive its claim against loss? This is a very reasonable doubt which has arisen. Even in the case of societies or individuals or mandi merchants the scheduled banks do not advance any money on the security of these goods unless the goods deposited are insured. So if you exempt such large quantities deposited on behalf of the Central Warehouseing Corporation from insurance, in the long run it will be ruinous to the Corporation itself. I personally feel that there should be no exemption from insurance. The question of cost should not come in the way of insurance because after all it is going to fall on the depositor as the warehouseman is entitled to recover the insurance charges.

Then coming to clause 19, I cannot understand this discrimination between an individual and a co-operative society. The interests of a poor individual should not be sacrificed as against a co-operative society.

The man who suffers in this case is the individual. There is some obsession in the minds of everybody that the expression co-operative society is something Godly. You must guard the interests of the individual as much as you guard the interests of the society. I do not say that a co-operative society should not be ignored, but do not make any distinction between a society and an individual. If the officers of the Co-operative Department have advised this, it must be remembered that even a society is a corporate consisting of individuals. You cannot neglect the interests of an individual as against a co-operative society. If you want to force people to fall in line in the co-operative fold that is a different matter, but I am against compulsion. The voluntary nature of the thing is the very essence of co-operation, but by giving these concessions to co-operative societies as against individuals you are not merely discriminating but you are indirectly forcing people to reject the voluntary nature of association and compelling them to join co-operative societies.

Coming to clause 20, I cannot understand what you want to make out. Suppose I as a warehouseman want to advance money against 50 pallas of paddy deposited, I cannot do it unless it is a co-operative society which has obtained a licence. I cannot understand the rationale behind this.

In regard to weighers, samplers and graders, they have to obtain a licence. You are asking them to possess certain prescribed qualifications. I do not know if there is a school to train them and if there are certain standards fixed. I know of the existence of a number of people who are weighers, samplers and graders from time immemorial without any education. By sheer experience they have become experts. I cannot understand what is the kind of qualification you are going to prescribe for these people ? Is it educational qualification or special qualification that you envisage ? Have you set up any industrial training institute for their training ? I would only request that the people who are in the field actually doing this work for a long time should not be eliminated on the ground that they do not satisfy your requirement of the prescribed qualification. I have no objection to your prescribing any qualification for those who are from now on taking to this job. This is a technical job. For instance, if it is coffee, its grading requires technical knowledge and you want qualified people for that. If it is fertilizer you want people who have knowledge of the qualities of fertilizers. It is not merely a question of prescribing qualifications but Government should ensure that persons are trained. Once the department expands and we want to do things in a scientific manner, certain qualifications should be prescribed, certain training institutions with some regional bias are introduced so that they will satisfy the requirements of Section 23. Otherwise the provision would be a dead letter.

Coming to the miscellaneous provisions, particularly the question of security. So far harmonious relationship has somehow been maintained

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in spite of occasional lapse here and there throughout the State. Now, a question of security has been brought in. How is the quantum of security demanded of a warehouseman and the quantum to be certified by him, to be co-related. Or, to which item is it co-related. Does it upon the size of the warehouse and the quantity of grain to be stored. If Rs. 100 worte is stored, would the percentage be 10 or 20. I will say that if a warehouse is big,even insistence on 5 per cent of the value of the goods stored would be a phenomenal figure, beyond the capacity of a common man to go to the storage. Is it a licence fees or a normal security ? What is the idea. What is the scale. Which section determines the actual security to be given ?

I will content myself by making a general observation that the amount of security that would be fixed should be neither unduly excessive or dangerously low. This is all that I can say because Government's views are not indicated. Supposing the amount of security fixed under the law is grossly inadequate to meet the demand that arises out of the implementation or the enforcement of this particular section, what would Government do. Supposing Rs. 1,000 is fixed as security and the amount of money due to him to comply with the provisions of the Act is Rs. 2,000. Would the Government proceed against him in a civil court or recover it by filing a suit. Some of the provisions of the Bill are vague and indefinite.

Now we find a provision that contracts and agreements inconsistent with this Act would be void. It is very cryptic. I do not consider the penal clauses of an exacting nature because the issues involved are so serious that I do not wish to question the propriety of penal clauses. I agree that the penal provisions are necessary and even the scale of fine and conviction proposed to be imposed under the Act are quite justified.

Coming lastly, to the schedule. I do not know if the Government were actuated by a sense of realism in fixing the schedule. The Hon'ble Deputy Minister made the ingenous statement that the schedule is not excessive by any means. He was correct and I like the way in which he said it. It requires a lot of effort on the part of the departmental officers to popularise the scheme in the first instance. Take, for example, products like milk, eggs or butter. These perishable articles have a dangerous implication when they are brought to the warehouse and deposited there. Supposing 100 seers of butter from Mandya is brought and deposited. In the warehouse, what is the kind of sampling that is done. Is it the suggestion that the depositor would have to take a sample of the butter. What is the remedy if a different type of butter or quality is returned. What is the conviction for this mal-practice. I am at every stage reminding that these things are good on paper. The ruling party would have the staisfaction of having brought a Bill and included it in the statute book but some of these anamoloies should

be iliminated. This is devorced from realism. Every egg got out of the werehouse may be a rotton one and there will be the sad spectacle of exchange of words between the owner of the warehouse and the depositor. As far as supply of milk is concerned, the least said the better about the enforcement of the law in Corporation cities. Even 5 per cent of the people do not get unadulterated milk. When we have not been able to enforce the provisions of the Adulteration Act, is it suggested that everything in regard to these commodies in the schedule could be looked after and things like eggs, milk, garlic, onions and other things which are of a perishable nature are included in the schedule. I know that in progressive countries, particularly Denmark, they had great advantage of the provisions made in the Act. There the warehouseman himself provides the transport. I think this is a quite a long way when we can expect that frame of mind and attitude of the average Mysore ryot. I know the answer would be that there should be at least a provision in the Bill. I think the arguement is correct but it is my business to tell you that it is much better that even if the Government manages to get this Bill passed and the schedule approved, for sometime to come until the level of understanding and the level of reasoning of the people improves, it would be much better to avoid these things. It will lead to a lot of complication, litigation and needless loss to the poor agriculturists.

I do not think the legal department stet exerised much care in the drafting of this Bill. I personally feel that having regard to the observations which I have made, if the Minister thinks that some changes are called for, I would be happy if he cares to do, but supposing out of a sen e of perstige, he thinks everything has been all right; we have had recent instance of the Public Conveyance Bill being discussed for four hours on the floor of this House and more than 30 amendments have been tabled even after the Legislative Council passed. I do not wish to make any comments on the work of the Legislative Council, but it is a kind of approach and a kind of application of our minds and thoughts to this matter; I hope the Deputy Minister will at the time of reply meet the objections raised.

With these words, I wholeheartedly support this Bill and venture to express the hope that the Government will take them seriously. Let them not be content with the statement that they have extended the number of warehouses. I am not sure if the Government of India will subsidise the scheme. If you only approach them with the idea that we want to extend the scheme to rural areas, particularly hobli headquarters which I referred to, I am sure it will appeal to them and that it may support you in you endeavour to allow the scheme to permeate the interior of the villages. With these few words, I commend the Bill for the acceptance of the House.

†Sri J. H. SHAMSUDDIN.—I am thankful to the leader of the Opposition for the warm reception he has given to the Bill and the many suggestions that he has made. Some of the suggestions that he has made

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will be considered and when rules are framed so as to avoid doubts cast about certain provisions in the Bill. This is a Bill which intends to codify certain other enactments prevailing in the different parts of the State. That is, clause 36 will reveal that there are several enactments now in force in the different parts of the State, in the Bombay area, Mysore and other areas. This is in fact a Bill which wants to introduce uniformity so far as this kind of activity is concerned. In the beginning I made it clear that the activities of warehousing will be mainly confined to the State Corporation and the Central Corporation. Though the Acts were there, no individual or private agency has come forward to establish any warehouses in the State and therefore the functions of warehousing have not been discharged by any private individual or private agency as contemplated in this Bill or in previous Acts. It is only when the Central Act was passed, warehouses were established under the State Warehousing Corporation. Therefore from the above circumstance, we feel that it is not rather proper on our part to expect from the private agencies or individuals that come into the field; mainly the functioning of warehousing will be done and discharged by the State Corporation or the Central Corporation. When we pass a Bill and place so many restrictions and conditions, I think the private agency may not come into the field. Mainly, the functions will be discharged by the State Corporation and the Central Corporation. But we have made provisions that if private agencies come into the field and try to establish warehouses of type contemplated in the Bill; then we must regulate their activities in a manner that misuse or malpractices are not done by this private agency and the interests of the agriculturists and the public are safeguarded in a manner that is contemplated in the Bill. Therefore, some of the criticisms that the Leader of the Opposition made against some of the provisions can be taken in this light that if a State Corporation or Central Corporation which is a statutory body, which is controlled and guided to some extent by the State Government takes this function some of the malpractices referred to will not happen because the State Corporation or the Central Corporation will not indulge in those mal-practices and therefore those provisions against which certain doubts have been cast or certain suggestions have made that they should be improved, may not arise. Of course, the activities should be extended. It is the intention of the Government to extend the activities of both the Central Corporation as well as the State Corporation. Therefore, we have provided that 30 warehouses should be established during the Third Plan. Of course, as you are aware, we have fixed the target in accordance with our capacity, both financial and others. We cannot go on making a provision for larger number of warehouses beyond our capacity, to construct buildings or open warehouses or beyond our capacity to finance the scheme. Therefore, even though the Government may like to extend the activities of the warehouse men in the different areas, Government is prompted to restrict it to a particular figure on

account of the financial consideration and other factors. The Leader of the Opposition referred to the question that such warehouses should be established in rural areas, in Hubli headquarters. First, we will take such important centres which justify the establishment of warehouse and the discharge of functions connected wi h warehousing. After we cover larger area in towns and cities we may go to Hubli headquarters. But there is a different scheme in the Hubli Area or rural areas; we have what is called co-operative s cieties which cater for the need of storing. Those co-operative societes do construct godowns in which agricultural, produce can be stored with certain devices above their safety. We have a scheme under which co-operative societies come forward to build godowns. We subsidise them and also advance loans. If a co-operative society in a rural area wants to construct a godown which will afford facilities for the agriculturists for storing and depositing, not of the type of warehousing but of a general type, naturally Government gives them subsidy to the extent of Rs. 2,500 and loan to the extent of Rs. 7,500 if the godown is to cost Rs.10,000 if it is a godown the cost of which is estimated to be Rs. 20,000, naturally Government provide Rs. 5,000 subsidy and Rs. 15,000 loan. We feel that by giving to this type of activity by the co-operative society, the needs of the rural areas may be met at present and though the godowns that are being provided are not of the type contemplated in this.....

Sri J. B. MALLARADHYA.—What is the difficulty of Government for enforcing the provisions of this Bill on the co-operative societies which are anxious to carry on the duties of warehousing?

Sri J. H. SHAMSUDDIN.—As the Leader of the Opposition himself said, this is a Bill the advantages of which should be popularised and the villagers should be made to take advantages, naturally if at the initial stage we put these restrictions which are of a rigid type to a warehouse man, on the co-operative societies, naturally it may be difficult for them to come up to the standard of a warehouseman as contemplated. Therefore, when we reach the stage of such advancement as to compel them to regulate their activity in a manner which is being regulated so far as warehouseman is concerned, then we may consider the question. Sir, reference was made to clause relating to private agency to run the godown and whether he would be competent to do it. Whether he is competent and whether he has ample staff and is in a position to discharge the duties in the manner contemplated will all be considered while determining where an individual private agency is allowed to do this. This is an enabling clause. The leader of the opposition referred to identity of goods. Sir, supposing it is a bulk storage ond the agriculturist will not have the bags and if the warehouse supplies, there will be unnecessary charge. We can insist upon the warehouse man to have a separate compartment to store produce of bulk type. He also referred to the term 'beyond the control of the godown man'. Sir, it only means, circumstances over which the human agency has no control. Then Sir, a general question was raised as to why co-operative societies

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should be given certain concessions. Sir, this is a matter of policy and it is an accepted policy of this Government and this House also that as far as possible, we must encourage co-operative societies in different sectors, so that they may extend their activities in the rural areas. So far as incurance is concerned, for a Warehouse Corporation establishment, we do not make it compulsory to insure because they will give indemnity bond to the parties concerned and if there is a loss, naturally they will reimburse the party suffering the loss. In the case of co-operative societies we have not exempted them completely; we may declare whether they should be compelled or not having regard to the soundness of the society. Therefore, this enabling clause.

So far as clause 23 is concerned, there is prescribed qualification. We will make rules as to what should be the qualifications. We have already taken steps to train them. Such of the people who are doing the work in the particular area and have the practical experience, will be taken into consideration while giving licences. So, the apprehension that some educational qualifications are fixed may not be very serious.

Sri S. D. KOTHAWALE.—What steps Government propose to take to ensure against the mischief made by the Dalals?

Sri J. H. SHAMSUDDIN.—Sir, that is a different question and does not cover by this Bill.

Sri J. B. MALLARADHYA.—Is there any intention to erect warehouses in regulated markets, because in a large number of cases, lots of goods come into the regulated market. For some reason, it is not likely to be sold. Are you going to attach some warehouses to recognised regulated markets. That is a very necessary step that has to be taken.

Sri J. H. SHAMSUDDIN.—Generally we have selected places where there is a good regulated market and considerable commodity comes to that regulated market, so that it facilitates the warehousing business in co-ordination with the activities of the regulated market.

Clause 32 : For example, when we read this clause, we must have two perspectives. One warehousing by Corporation and one is warehousing by private individuals. Warehousing by the corporation will not have any agreement or any condition which is contrary to these terms. That is a situation that we can expect from the activities of the Corporation. But when there is a private individual or agency and that agency wants to take advantage of the ignorance and illiteracy of the agriculturist or the producer.....

Sri J. B. MALLARADHYA.—The whole scheme of the Bill to my mind appears,—is it the intention of the Government to make provision for encouraging warehouses in the private sector ? If they are trying to do that, then there must be two sets of conditions. In one case, it is not contemplated and you say that it is not possible for private individuals to run warehouses. When Government realises that Government.

alone is incapable of catering to the needs of the agriculturist in this field, you must make any it possible for private enterprise to enter this field and bring into existence large number of warehouses. Supposing enterprising people in the rural areas want to come forward and there is money to be sunk into that enterprise, they must be given an opportunity. No competition enters into this field. Even for the next 25 years, you will not have touched the fringe of the problem at the rate at which you are proceeding. I want the Hon'ble Minister to tell me definitely whether they are not serious about the private people entering this field and if that is not so, this Act will be there only in name.

Sri J. H. SHAMSUDDIN.—There is no question of encouraging private agency to come into the field. We know that private enterprise has not entered this field so far at all. No private agency has constructed warehouses. Therefore, we feel that the prospects of private enterprise coming into the field are not very bright in the immediate future. But in the distant future, if these people come into the field, naturally we have provision which may control and regulate these activities. Therefore these provisions are made with that view.

Then Sir, there is some objection about the schedule. Sir, in the days to come there is bound to be greater production of butter, milk, ghee, and eggs. This is a legislation which should look ahead as he rightly pointed out to us. We may establish poultry farm, dairy farm and naturally we may need storage centres for milk and other commodities. We may have to transport these articles. We may establish refrigerators or cold-storages and therefore, special types of warehouses may come into being for catering to the needs of these articles. Therefore, we have to keep this item in the schedule. Therefore, the activities of the Agricultural Department may be expanded and we have made this provision.

Sir, these are the main criticisms that were levelled against some of the provisions of the Bill and I think I have tried my best to satisfy and convince the Hon'ble Leader of the Opposition. I am very glad that he has accorded a warm-welcome to this Bill.

One more point remains to be answered. Warehouses constructed by the Corporation are dull not good from the architectural point of view. The Hon'ble Leader of the Opposition made this remark and I would like him to go once again to places like Hubli, Raichur and Mysore with a view to assess the artistic beauty. There is no type design for the building that come under this head. They are being constructed with a view to put beauty and variety into it. Some of the buildings are really very beautiful. There is no standard or type-design. Buildings are constructed according to local situation prevailing into particular area and depending upon the nature of commodities that will have to be stored there, and while making these designs, the artistic view of the what is called asethetic sense is not kept by. It is taken into consideration to the extent possible though not to the extent that the Hon'ble Leader of the Opposition expects of us.

Mr. SPEAKER. —The question is :

"That the Mysore Warehouses Bill, 1960, as passed by the Legislative Council, be taken into consideration."

The motion was adopted.

Mr. SPEAKER.—Clauses. The question is :

"That Clauses 2 to 5 both inclusive, stand part of the Bill."

The motion was adopted.

"Clauses 2 to 5 both inclusive, stand part of the Bill."

Mr. SPEAKER.—The question is :

"That Clauses 6 to 36, both inclusive and schedule stand part of the Bill."

The motion was adopted.

"Clauses 6 to 36, both inclusive, and schedule were added to the Bill."

Mr. SPEAKER.—The question is :

"That Clause 1, the Title and the Preamble stand part of the Bill."

The motion was adopted.

"Clause 1 the Title and the Premable were added to the Bill."

Motion to pass.

Sri J. H. SHAMSUDDIN.—Sir, I beg to move :

"That the Mysore Warehouses Bill, 1960, as passed by the Legislative Council be passed."

Mr. SPEAKER.—The question is :

"That the Mysore Warehouses Bill, 1960, as passed by the Legislative Council be passed."

The motion was adopted.

Mr. SPEAKER.—Before, we rise, I have to make an announcement. It has been decided in the Business Advisory Committee that we should sit for longer hours from day after to-morrow. We will be sitting from 9 A.M. to 12–30 P.M. and from 3 P.M. to 7 P.M.

The House will now rise and meet at 9 A.M. on Monday.

The House adjourned at Thirty Minutes past Twelve of the Clock to meet again at Nine of the Clock on Monday, the 20th November 1961.

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